

ATTACHMENT B

Date Change

Section 1859.91. Implementation of Priority Points Due to Insufficient State Funds.

- (a) The OPSC shall report to the Board on a monthly basis the amount of funds available for New Construction Grants and Modernization Grants and the estimated amount of Approved Applications for New Construction Grants and Modernization Grants not yet apportioned. The Board shall implement a priority point mechanism described in (b) for New Construction Grants requests when either of the following occur:
 - (1) The amount of Approved Applications for New Construction Grants and Modernization Grants not yet apportioned exceed the funds available for New Construction Grants and Modernization Grants.
 - (2) The funds available for New Construction Grants are \$300 million or less.
- (b) Once either (1) or (2) in (a) occurs, the Board shall approve and apportion the funds available for New Construction Grants requests based on the following priority point mechanism:
 - (1) From the funds available for New Construction Grants, the Board shall establish a final allotment equal to the lesser of \$450 million or the balance of the funds available for New Construction Grants, to be apportioned in accordance with (2) below. After deducting the final allotment, the Board shall divide the remaining funds into seven equal allotments, to be apportioned on a quarterly basis, commencing with the last quarter of calendar year 2000 and ending the second quarter of calendar year 2002. Quarterly apportionments are subject to the following:
 - (A) The Board shall apportion Approved Applications for New Construction Grants requests received prior to the beginning of the quarter that are Ready for Apportionment and all New Construction Grants requests that were included on an Unfunded List, in descending order, commencing with the project having the greatest number of priority points until the funds available for New Construction Grants for that quarter are exhausted. Projects exempt from priority points pursuant to Section 1859.92(e) shall be apportioned first.
 - (B) If two or more projects have the same number of priority points, those projects shall be first ranked according to the Approved Application date.
 - (C) No New Construction Grants request will be recommended for apportionment unless the project can be entirely apportioned from the funds available for that quarter.
 - (D) If the Approved Applications for New Construction Grants received prior to the quarter that are Ready for Apportionment and all New Construction Grants requests that were included on an Unfunded List prior to the quarter are less than the quarterly allotment, plus any funds remaining from the previous quarter(s), the excess funds shall be added to the next quarterly allotment.
 - (E) If the Approved Applications for New Construction Grants requests received prior to the quarter that are Ready for Apportionment and all New Construction Grants requests that were included on an Unfunded List prior to the quarter are greater than the quarterly allotment, plus any funds remaining from the previous quarter(s), any New Construction Grants requests not apportioned by the Board shall be placed on an Unfunded List.
 - (F) All New Construction Grants requests, as described in (A) above, that are Ready for Apportionment in a quarter shall not be apportioned before the last regularly scheduled Board meeting for that quarter with the exception of New Construction Grants requests that meet the criteria for exemption from priority points pursuant to Section 1859.92(e). Any New Construction Grants request that is Ready for Apportionment in a quarter that meets the criteria for exemption from priority points pursuant to Section 1859.92(e) may be apportioned at any of the regularly scheduled Board meetings during that quarter.
 - (2) The final allotment shall be apportioned subject to the following:
 - (A) The Board shall apportion Approved Applications for New Construction Grants received between April 1, 2002 and June 26, 2002 that are Ready for Apportionment and all New Construction Grants requests that were included on an Unfunded List, in descending order, commencing with the project having the

greatest number of priority points until the final allotment, plus any funds remaining from the previous quarters are exhausted. Projects exempt from priority points pursuant to Section 1859.92(e) shall be apportioned first.

- (B) If two or more projects have the same number of priority points, those projects shall be first ranked according to the Approved Application date.
- (C) If the Approved Applications for New Construction Grants received between April 1, 2002 and June 26, 2002 that are Ready for Apportionment and all New Construction Grants requests that were included on an Unfunded List are greater than the final allotment, plus any remaining funds from the previous quarter(s), any New Construction Grants request not apportioned by the Board shall be placed on an Unfunded List.
- (D) All New Construction Grants requests, as described in (A) above, that are Ready for Apportionment shall be apportioned at the regularly scheduled Board meeting in August 2002 with the exception of New Construction Grants requests that meet the criteria for exemption from priority points pursuant to Section 1859.92(e). Any New Construction Grants request that is Ready for Apportionment that meets the criteria for exemption from priority points pursuant to Section 1859.92(e) may be apportioned at either the regularly scheduled Board meetings in July or August 2002.
- (E) If the Approved Applications for New Construction Grants received between April 1, 2002 and June 26, 2002 that are Ready for Apportionment and all New Construction Grants requests that were included on an Unfunded List are less than the final allotment, plus any remaining funds from the previous quarter(s), the excess funds shall be apportioned on a monthly basis beginning in September 2002 for Approved Applications for New Construction Grants received after June 26, 2002 that are Ready for Apportionment, in descending order, commencing with the project having the greatest number of priority points. This process shall continue until the funds available are exhausted. If two or more projects have the same number of priority points, those projects shall be first ranked according to the Approved Application date.
- (c) The Board shall declare that State funds are not available for new facility construction when the New Construction Grants requests Ready for Apportionment exceed the funds available for that purpose. This declaration shall serve as the mechanism for the Board to make the appropriate notifications as required, pursuant to Government Code Section 65995.7(a).
- (d) Approved Applications for New Construction Grants request received during a quarter may be considered for funding available for that quarter if all the following criteria are met:
 - (1) Either the Executive Officer of the Board, the State Architect, the Director of School Facilities Planning Division within the CDE or the Chief of the School Property Evaluation and Cleanup Division within the Department of Toxic Substances Control certify to the SAB that the district's application was delayed for a specified number of calendar days in relation to all other applications submitted to that agency at the same time due to document error or omission.
 - (2) The Approved Application date adjusted back in time for the number of calendar days the application was delayed is prior to the beginning of the funding quarter.
- (e) Approved Applications for New Construction Grants request received after June 26, 2002 may be considered for funding available for the final allotment if all the following criteria are met:
 - (1) Either the Executive Officer of the Board, the State Architect, the Director of School Facilities Planning Division within the CDE or the Chief of the School Property Evaluation and Cleanup Division within the Department of Toxic Substances Control certify to the SAB that the district's application was delayed for a specified number of calendar days in relation to all other applications submitted to that agency at the same time due to document error or omission.
 - (2) The Approved Application date adjusted back in time for the number of calendar days the application was delayed is prior to June 27, 2002.

Note: Authority cited: Sections 17072.25 and 17070.35, Education Code.

Reference: Section 17072.25, Education Code and Section 65995.7, Government Code.